

Volkswagen threatens 3,000 jobs as it prepares to shut down its Audi plant in Brussels

Ulrich Rippert
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The announcement by Audi management that its plant in Brussels, Belgium, is to be gradually shut down has caused huge unrest among the factory's approximately 3,000 employees and those working in related supplier plants. Last Thursday, the Audi Works Council met for the second time to discuss its response.

A week ago, the company management informed the works councils that production of the Audi Q8 e-tron electric SUV is to be completely discontinued earlier than planned, namely at the end of next year. Due to falling demand, production is to be cut back significantly this year. This will result in a drastic reduction in the workforce. "By October, 1,400 or even 1,500 workers could lose their jobs," said Franky De Schrijver from the Social Democratic General Trade Union Confederation (ABVV) and Ronny Liedts from the Christian Trade Union Union (ACV).

At the beginning of the month, the union representatives on the Audi-Brussels Supervisory Board voted against management's plans and Supervisory Board Chairman Manfred Döss was only able to ensure a majority for his stance on the Supervisory Board (which has 50-50 management/union representation) by making use of his tie-breaking rights. This is something that hardly ever happens in German supervisory boards because the IG Metall union acts as co-manager in the company economic committees, advising company management and helping draw up closure programmes long before they are announced.

The trade unions in Belgium are no different from IG Metall, but they are under strong pressure from employees. Audi workers in Brussels are very ready to fight. Many workers have a migrant background and know that they have little chance of finding a comparable job. According to a study by the German trade union Hans Böckler Foundation, Belgium is the country in Europe with the most strike days per employee.

To prevent spontaneous action, the shutdown announcement was made during a period of production stoppage. The production lines will remain idle until the Belgian bank holidays on July 21, with the workforce ordered to take compulsory leave. Immediately afterwards, the scheduled

company holidays begin. Despite this, 50 workers took part in a vigil in front of the closed factory gates as soon as the planned shutdown was announced.

The works council announced that the "first phase of the so-called Renault Act" would now be initiated. This involves close co-operation between management, the works council, trade unions and the government with the aim of finding a "socially acceptable solution." The name "Renault Law" comes from the fact that when the Renault plant in Vilvoorde (Flemish Brabant) was closed in 1997, a law was introduced to protect the workforce from sudden management decisions and being presented with a *fait accompli*.

The law stipulates that a company based in Belgium planning to cut jobs due to restructuring or plant closures must inform the works council and the workforce before announcing the respective steps. Together with the trade unions, a so-called "company council" is formed, which also liaises with government representatives and strives to achieve a balance of interests.

However, similar to German co-determination and social partnership laws, this cooperation between management, trade union and government does not take place in the interests of the workers, but rather serves to shape company decisions with the help of the government in such a way that job cuts can be implemented against resistance from the workforce.

This was made clear by a report on the first round of government talks that took place last Tuesday. *Flanderninfo* magazine reports: "The unions at the Audi factory in Forest (Brussels) met with outgoing Prime Minister Alexander De Croo (Open VLD) and Economy Minister Pierre-Yves Dermagne (PS) at the Prime Minister's office on Tuesday."

The current government, however, is only in office on a caretaker basis. Parallel to the European elections on June 9, elections were held in Belgium for the Chamber of Deputies of the federal parliament, as well as the regional parliaments in Wallonia, Flanders, East Belgium and the Brussels-Capital Region. On this "super election day," right-wing parties made significant gains and the formation of a government is still continuing.

Nevertheless, trade union officials have praised the government talks. There is “also a political interest” to save “as many jobs as possible” at Audi-Brussels, explained a spokesperson for the Association of Salaried Employees and Technicians (BBTK).

Despite announcing protest actions, trade union representatives have made it clear in the government talks that they are prepared to implement the job cuts. They proposed that older employees be made redundant via the so-called SWT system. This means that the unemployment benefits of those affected are topped up by a company bonus. They also demanded that the government should try to create replacement jobs.

The Audi workers in Brussels must not rely on the trade unions under any circumstances, but must prepare for a principled fight against the plant closure and in defence of all jobs. This requires close co-operation with VW workers in Wolfsburg, Germany and all other sites of the VW parent company.

The decision to shut down Audi Brussels was taken at the company headquarters in Wolfsburg and is part of a far-reaching restructuring programme that involves massive job cuts at many plants. The Wolfsburg-based group includes not only Audi, but also Porsche, Skoda, Seat, CUPRA, Ducati and other brands. No other car manufacturer employs as many workers worldwide as VW. It operates 120 production facilities with 662,000 employees in 19 European countries and 10 countries in the Americas, Asia and Africa.

With an annual turnover of over €250 billion, VW is one of the world’s largest auto manufacturers. Only Toyota has sold more cars in recent years. Despite the coronavirus crisis, supply chain problems and chip shortages, VW has made billions in profits over the last three years.

However, the switch from vehicles with combustion engines to electric cars has intensified the merciless competition between the major car manufacturers for the cheapest labour costs, sales markets and secure supply chains. This is being played out on the backs of workers in all countries and locations, who have to work more and earn less, while hundreds of thousands lose their jobs.

In this transition, the competition, above all with Tesla and the Chinese manufacturers of electric cars, are far ahead of Volkswagen. The days when VW was market leader in China are long gone. The Chinese manufacturer BYD, which already produces exclusively electric vehicles, is systematically expanding its market share and other Chinese manufacturers such as Nio, Geely and Great Wall also sell far more electric autos than Volkswagen.

Sales of the Audi Q8 e-tron, which is the only model built in Brussels and at €80,000 is more than twice as expensive as comparable Chinese models, have fallen sharply.

In addition, the transition from combustion engines to electric cars is being used by corporations and investors to reduce

production costs and increase profits. According to a report by the European Automobile Manufacturers Association, half a million autoworkers will lose their jobs by 2040 in Europe alone, including 121,000 in Germany, 74,000 in Italy, 72,000 in Spain and 56,000 in Romania. The Ifo Institute for Economic Research even expects 215,000 jobs to be lost in Germany by 2030, i.e., 40 percent of the country’s autoworkers.

This is why the fight against the plant closure in Brussels must be made the prelude to a mobilisation of all autoworkers in Europe and internationally.

This is exactly what the VW management in Wolfsburg fears. When the closure plans became known, the *Frankfurter Allgemeine Zeitung* ran the headline: “Fear of the Belgian revolt.” The article reads: “Burning oil barrels, smashed shop windows: these are the images that bring back memories of the yellow vest revolt in France for many a Volkswagen manager, should it come to the worst in Brussels. A closure of the car factory in the Belgian capital could trigger violent demonstrations.”

The *World Socialist Web Site* not only reports on the struggle of the Audi workers in Brussels, but also supports and organises Europe-wide and international cooperation. We are fighting to combine the principled defence of all jobs with the struggle against social cuts and the growing threat of war.

This requires a clear perspective, which essentially comprises three points:

First, the defence of jobs must not be left to the trade unions and their works councils. They are paid stooges of the corporations. An independent action committee must be set up at Audi-Brussels, as at other plants, which opposes the unions’ capitulation, and calls on VW workers at all sites to express solidarity and prepare a joint struggle. The International Workers Alliance of Rank-and-File Committees (IWA-RFC) is coordinating this work in Europe and worldwide.

Second, the defence of jobs and the struggle against war requires a socialist strategy. The needs of working people and society as a whole take precedence over the profit interests of corporations and banks. Their dictatorship must be broken and they must be transferred to public ownership.

Third, the nationalist policies of the trade unions, which play one location off against the other and support the war policies of imperialist governments, must be countered by the international unity of the working class, regardless of nationality, origin and skin colour.

We call on workers to adopt this perspective. Get in touch with us. Write a Whatsapp message to the mobile number +491633378340 or register using the form below.



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